

The subject matter of Claim 13 appears, among other places, on page 2 of the specification. Further description of this subject matter appears in Fig. 4 and the related disclosure.

**3. Claim Rejections Under 35 U.S.C. §103(a)**

The claims recite an apparatus and methods for manipulating digital video, for example, in a DVD system. All of these claims have been rejected as obvious over "Lam" (U.S. Pat. No. 5,960,464) and "Callway" (U.S. Pat. No. 6,075,574). Applicants believe that neither Lam nor Callway teach or suggest limitations required by the claims.

The office action relies upon Callway for the digital manipulation of frames required by all claims. Applicants respectfully disagree that Callway teaches manipulation of digital frames. Callway uses mixers and feedback loops to perform video manipulation which are analog techniques. See col. 2, lines 13-29. Callway uses techniques admitted as prior art in the background section of the application. See page 1, lines 16-17. These analog techniques are inferior in many ways to manipulation in the digital domain required by the claims.

Showings of proof are requested in relation to claims 1 and 14. In regard to Claim 1, the Office Action points out that it is obvious to one of ordinary skill in the art to have recognized that storing the second digital information, which is decompressed from the first digital information, should be included for displaying image files as well as for editing the digital information later. Applicants disagree with this apparent official notice. The Applicants kindly ask for a showing of proof with regard to the teaching of the storing step in Claim 1, as it is not taught by Lam or Callway. Please see MPEP 2143.01. A showing of proof is also requested with regard to the obviousness conclusions presented in relation to Claim 14.

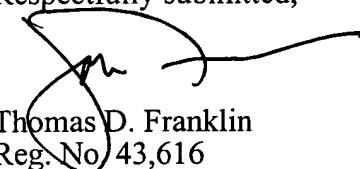
For at least the reasons stated above, it would not have been obvious to one of ordinary skill in the art at the time the invention was made to combine Callway into Lam to enhance the quality of video images in the digital domain.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application or if the Examiner intends to issue a final office action, please telephone the undersigned at 303-571-4000 to schedule the telephone conference.

Respectfully submitted,

  
Thomas D. Franklin  
Reg. No 43,616

TOWNSEND and TOWNSEND and CREW LLP  
Two Embarcadero Center, 8<sup>th</sup> Floor  
San Francisco, California 94111-3834  
Tel: (303) 571-4000  
Fax: (303) 571-4321  
TDF:sd  
DE 7049699 v1